GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF PLANNING

TESTIMONY BEFORE THE CONGRESSIONAL SUBCOMMITTEE ON FEDERALISM AND THE CENSUS

MAY 10, 2005

Good morning Chairman Turner and members of the subcommittee. My name is Mitchell Silver. I am Deputy Director of Long Range Planning with the District of Columbia's Office of Planning. I am here to testify about how the District uses Census Data for planning, policy-making and dissemination, past and future trends for the District and concerns we have regarding the U.S. Census Bureau's methodology for the District as it relates to Population Estimates and Projections. I am joined by Barry Miller who is the Associate Director of the Comprehensive Planning Division with the District of Columbia's Office of Planning. Mr. Miller will assist me in responding to any questions you may have.

Census Data Usage in the District of Columbia

The U.S. Census Bureau established the State Data Center (SDC) program in the District of Columbia in 1978 to create an effective vehicle for the dissemination of data produced by the Census Bureau to state and local governments. By the memorandum of agreement between the Census Bureau and the District of Columbia, the District's SDC becomes an official source of

Census Bureau data. This allows the SDC access to data on an embargo basis prior to the Census Bureau's release of data to the general public. In addition, the SDC receives Census Bureau data products, specialized training, and technical support at no cost. In return, the SDC is required to disseminate data, and to provide its users with technical assistance in locating, understanding, and operating on data from the Census Bureau and other sources.

In each state the SDC contains one lead, one coordinating, and several affiliate organizations. In the District of Columbia, the lead organization is located in the Office of Planning, while the coordinating agency is located in the Metropolitan Washington Council of Governments (COG). The affiliate agencies are Martin Luther King, Jr. Public Library, the DC State Center for Health Statistics, the DC Marketing Center, the National Capitol Planning Commission, Howard University and the University of the District of Columbia.

The data provided by the Census Bureau to the SDC falls into two main categories: population and housing. **Population data** mainly comprise demographic and socio-economic information on age, gender, race, ethnicity, income, labor force status, poverty, ancestry, disability, education, marital status, and language spoken. **Housing data** mainly comprise socio-economic information on households, units in structure, bedrooms, rent, mortgage costs, value, services available and tenure.

Users and the Importance of Census Data

Users of the State Center Data include District and federal agencies, the business community, educational institutions and academics, the media, religious and neighborhood groups, and private citizens. The main uses of census data include public policy formulation, research, funding for non-profits, investment and marketing decisions, maintaining local tax base, geographic information systems; long range planning; and trend analyses.

Federal Funding Allocation

Billions of dollars of Federal funding are allocated annually based on Census demographic and housing data.

Low-Income Housing Tax Credits

Census data is used by the US Department of Housing and Urban Development to determine the qualifying census tracts for the Low-Income Housing Tax Credits and Mortgage Revenue Bonds Program.

Funding for Non-profit Organizations

Funding for non-profits are allocated and planned in part based on population counts, estimates and forecasts, and the socio-economic status of the areas. The programs that state the needs for census data to be used as conditions for their funding are Medicare and Medicaid

agencies, Women, Infants and Children Program (WIC), Supplemental Income Programs, Maternal and Family Health Services (Head Start Program), Income Maintenance Administration, HIV/AIDS Administration, Veterans Administration, to name a few. Similarly, funding to school districts to improve the education of economically disadvantaged children under Title I, is determined by census data. The DC Department of Employment Services (DOES), under the Job Training Partnership Act, is allocated funds to provide job-training services for economically disadvantaged women based on census data.

Investment and Marketing

Insurance companies (health, auto, property), magazine and newspaper publishers, and indeed the entire corporate sector, use population and household data to identify sales territories, set quotas and provide incentive levels for agents. Population numbers and retail census data are used by existing and new businesses to estimate potential sales in specific trade areas. These estimates are then used to calculate market share and help identify the location for prospective sites. Common requests in this area are for locations of restaurants, food and clothing stores, health care facilities, and funeral homes.

Maintain Local Tax Base

The Office of the Mayor requests and uses general population, labor force and real estate data in their planning efforts to attract (and retain) people and businesses. In addition, the DC Office of the Chief Financial Officer uses Census data for financial forecasting of city revenues.

Public Policy Formulation

Census data produced by the State Data Center influences District's policies and programs. Information on poverty, unemployment, education, housing and income continues to inform policies that translate into the allocation of funds, location of facilities, educational outreach, and community and neighborhood activism.

Research

Given the confluence of universities in the District, the demand for census data from the SDC is significant. Researchers at area universities use almost every aspect of census data to study relationships, evaluate hypotheses, advocate on issues, and justify the need for grants. Area students are given class projects that require demographic and socio-economic data of the local community. Similarly, the District of Columbia is home to influential think tanks such as the Brookings Institution and the Urban Institute. These organizations use Census data to advise cities across America on urban policy, with the District serving as a "living laboratory" for their research.

Geographic Information System

The foundation of the District's Geographic Information System (GIS) has been built on and continues to be updated and maintained by information from the Census' Master Address Files (Tiger/Line Files). This file links addresses to census tracts, block groups, blocks (all

Census Bureau data), zip codes and finally, the eight Wards of the District. The District's Office of the Chief Technology Officer (OCTO), the Office of Planning (OP), the National Capitol Planning Commission (NCPC) and the Washington Metropolitan Council of Governments (MWCOG), all have built and use GIS with census data as a foundation. These base layers form the core geography of GIS, without which the systems would be almost inoperable. GIS is now used by a large number of industries and institutions in our area.

Long Range Planning

Long range planning relies heavily on projected growth rates for population, housing and employment. Census data consisting of actual counts, estimates and projections are used in budget planning for government, planning for health and education services, designing public safety strategies, planning for capital improvement, and infrastructure and land use changes. Tract-level demographic data help us understand social and economic disparities within the city, thereby informing public policy on critical topics such as affordable housing, the need for parks and recreational services, and the siting of facilities serving special needs populations.

Trend Analyses

Statistical methods determining trends, rates, proportions, and forecasts use census data continuously. The Department of Health, DC Marketing Center, Office of Aging, Housing Authority, and many other entities, use population and housing data categories to evaluate program efficiency and effectiveness. Sample size determination for surveys in the District also drive the demand for decennial and estimate data from the State Data Center. Data are also

frequently requested for comparisons within the District between its wards, census tracts, block groups and blocks. Comparative data between the District and other states, cities, metropolitan areas and nation are also frequently requested. The forecasting of population, employment and housing by the D.C. Office of Planning uses the decennial census as a base.

WASHINGTON D.C. PAST TRENDS (1950-2000)

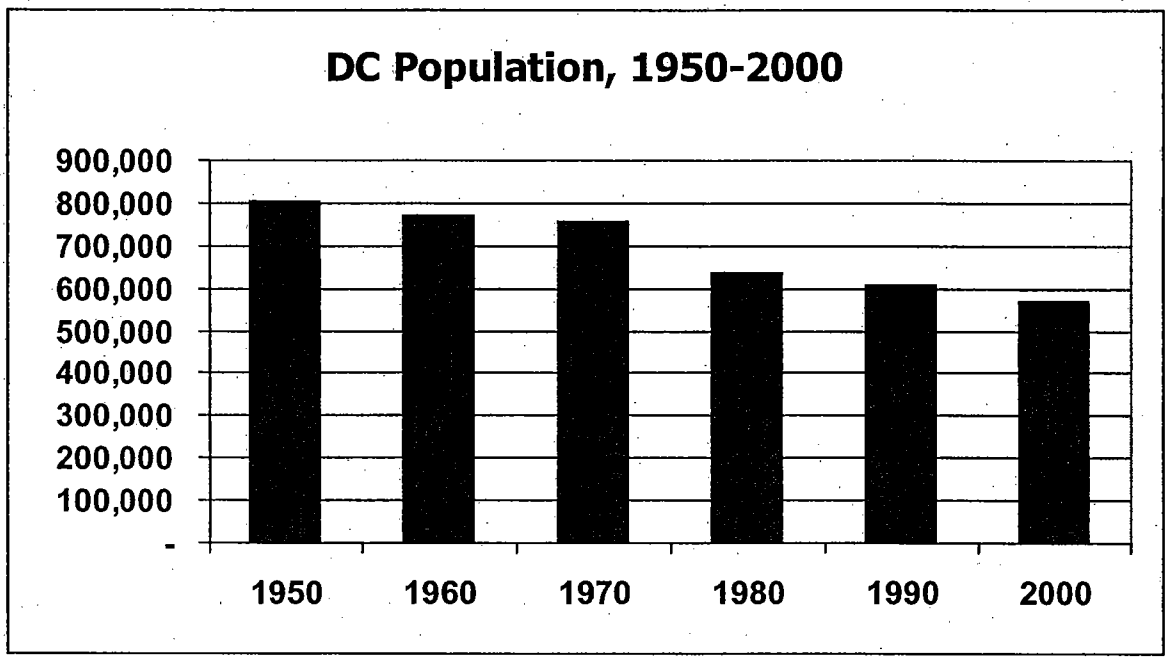
The Census Bureau provides the District of Columbia with vital information on the changes that have occurred in the city over the past five decades. This information helps the District government develop a basic understanding of these changes, and assists in the development of policies that best serve District residents. Information from the census includes data on population, households, racial composition, age, household types, income and other important demographic characteristics.

Population

In 1950 the District reached its peak population of 802,178. Since 1950, the District's population has declined—to 572,059 in 2000. This represents a 29 percent decline over 5 decades. ***Figure 1*** shows that the steepest decline occurred during the 1970s, when the city lost almost 120,000 residents. During the 1990s, the District's population declined by 35,000.

While the number of residents dropped significantly during the 1980s and 1990s, the number of households remained relatively constant. In 1980, there were 253,143 households in

Figure 1. Washington D.C. Population 1950 - 2000



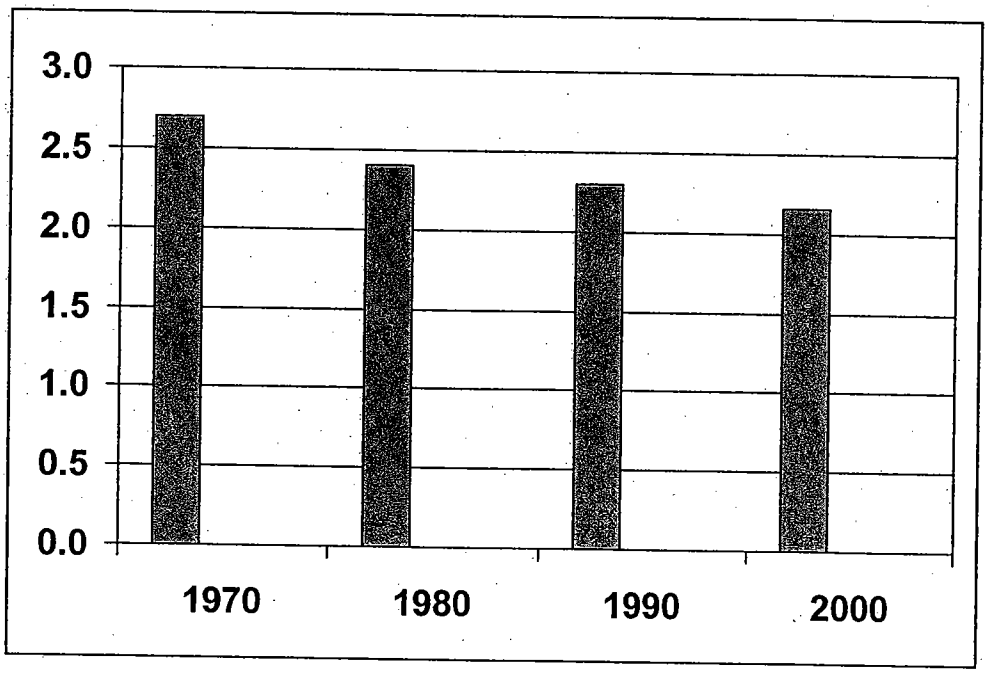
Source: US Census Bureau.

the District. In 2000, there were 248,338. Thus, while population dropped by over 66,000 residents in 20 years, the number of households dropped by just 4,800[1].

The principal cause of the District's population decline was not abandonment or demolition of housing, but rather a substantial decline in household size. ***Figure 2*** shows the decrease in the size of the average household since 1970. In 1970, the average DC household contained 2.72 residents. In 2000, the average DC household contained 2.16 residents.

[1] Population includes those living in group quarters that are not counted toward household numbers.

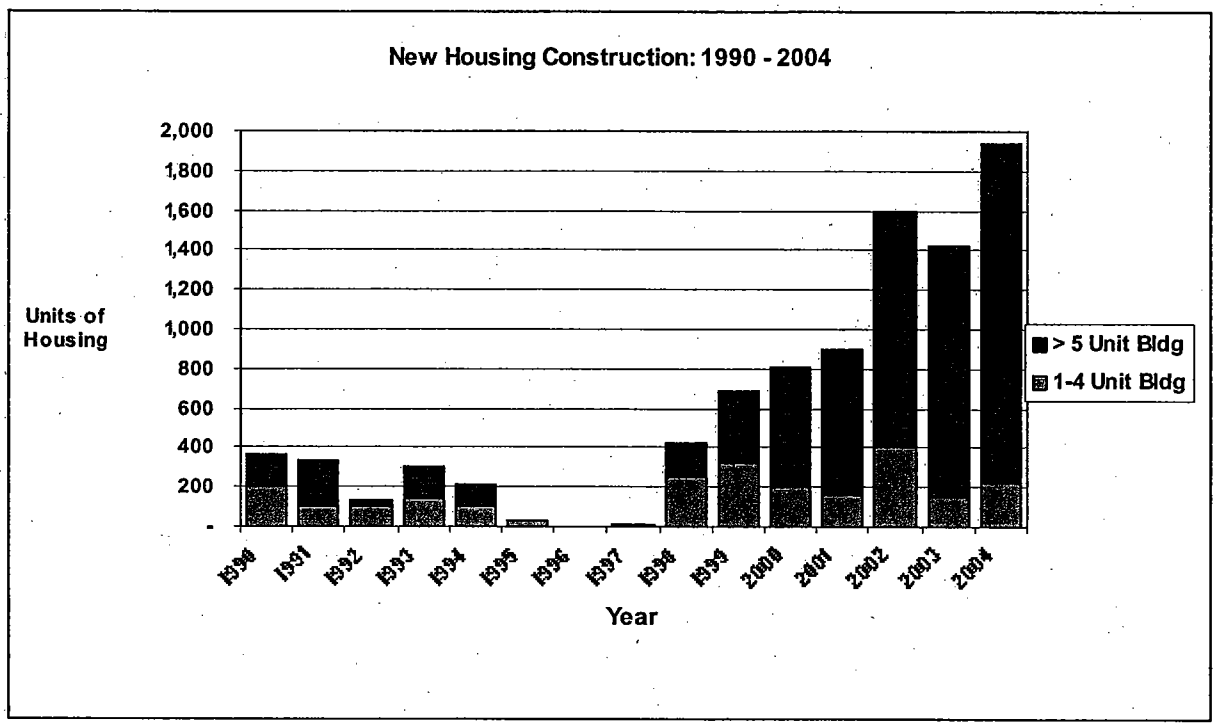
Figure 2. Washington D.C. Average Household Size 1970 - 2000



Source: US Census Bureau.

More recently, from 2000 to 2004, it appears that the District has been growing in the number of households. New housing starts tracked by the U.S. Census Bureau document a tremendous increase in the annual production of housing units that are under construction in the District. ***Figure 3*** shows that while in 1996 there were zero new housing starts in the District of Columbia, the past three years have averaged well over 1,500 units per year.

Figure 3. New Residential Construction in Washington D.C.



Source: US Census Bureau.

Census data also illustrate the District's changing role within the rapidly expanding Washington region. In 1950, DC had 46 percent of the region's population. In 2000, DC had 12 percent of the region's population. According to IRS data used by the U.S. Census Bureau, 56 percent of the households leaving the District during the 1990s moved to the suburbs—25 percent of the households leaving moved to Prince Georges County and another 13 percent moved to Montgomery County. By contrast, more than 60 percent of the households moving into the District during the 1990s came from outside the DC region entirely.

Racial/Ethnic Composition

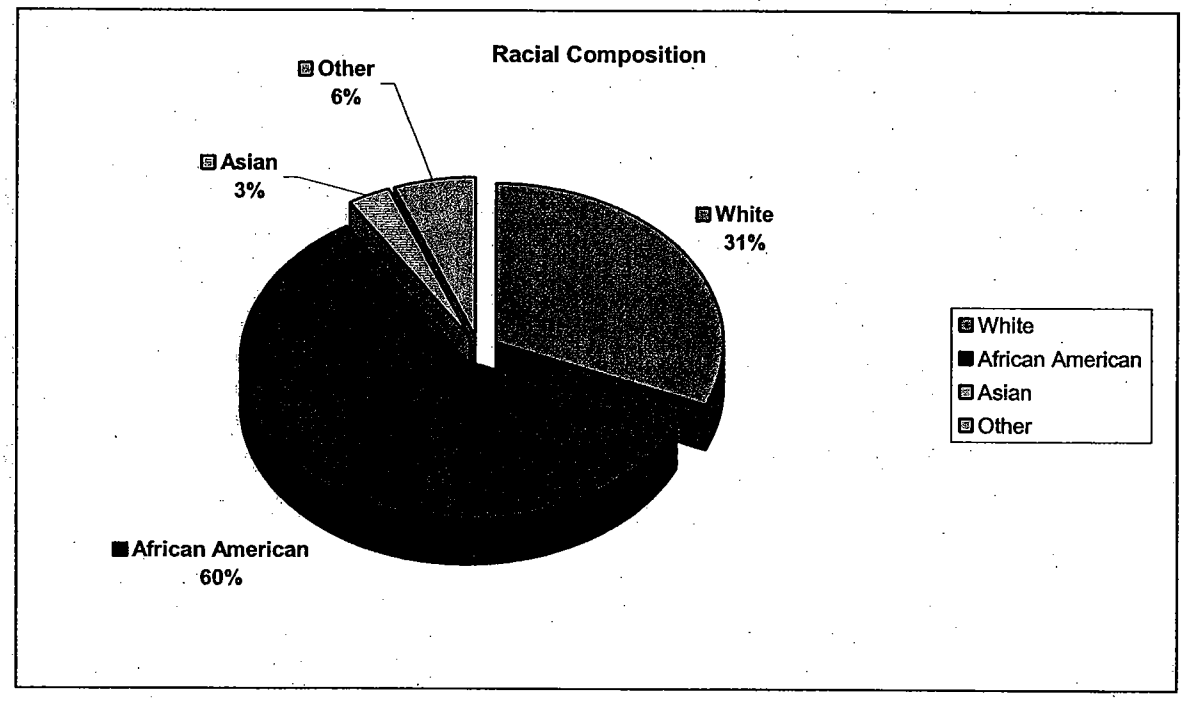
The District's racial composition has been changing over the past 25 years. Between 1980 and 2000, the District's black population declined by 105,000 while the white population increased by 4,333. During the same time period the Hispanic and Asian populations increased by 27,000 persons and 8,500 persons respectively. As a percentage of the DC population, Hispanics increased from 2.8 percent in 1980 to 7.9 percent in 2000. *Figure 4* from the U.S. Census data shows what D.C. is like today. The District is 60 percent black, 31 percent white, 3 percent Asian, and 6 percent Other.

DC has a smaller percentage of non-English speaking residents than most large American cities. In 2000, 3.8 percent of DC residents spoke little or no English. In New York, the figure was 12.2 percent and in Boston it was 8.2 percent (Baltimore's figure was 1.3 percent).

Age

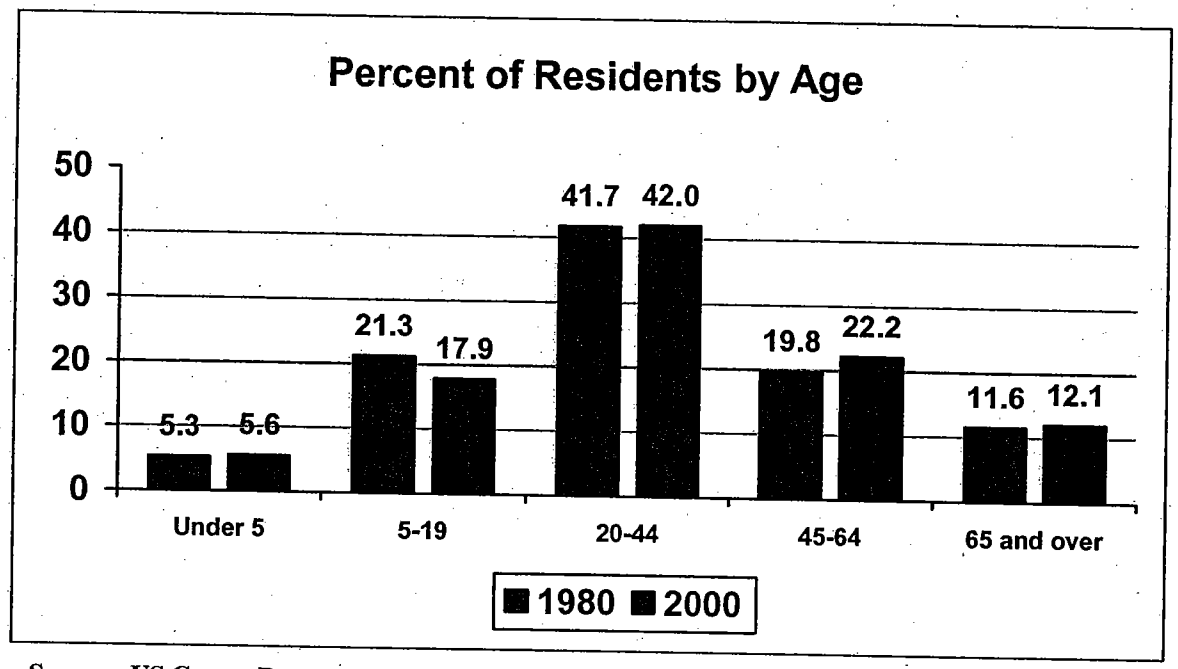
The past several decennial census years have documented changes in the age make up of District residents. The single biggest change has been the number of households with children decreasing significantly between 1980 and 2000 ***(see Figure 5)***. In 1980, there were 143,000 DC residents under age 18. In 2000, there were 114,000. The number of children in the District declined at twice the rate of the general population.

Figure 4. Washington D.C. Racial Composition



Source: US Census Bureau.

Figure 5. Washington D.C. Age Distribution by Major Categories



Source: US Census Bureau.

In 1980, there were 74,000 DC residents over 65. In 2000, there were just 70,000. While the absolute number of seniors declined, they represent a larger share of the population today than they did 20 years ago. ***Figure 5*** shows this change between 1980 and 2000. Like the nation, the District has been aging. Moreover, according to earlier census projections, the number of residents over 65 is projected to increase to 92,000 by 2025 as the "baby boom" generation matures.

DC has a disproportionately large share of residents between 18 - 24 years old. This is largely due to several colleges and universities located within the District. However, this age

group also became smaller between 1980 and 2000, dropping from 97,000 residents to 74,000 residents.

Household Type

The US Census Bureau has documented significant changes in the types of households that live in the District. In 1980, DC had 133,600 "family" households, or 53 percent of the total and 119,500 "non-family" households (47 percent). By 2000, these percentages were reversed, as the number of family households was 114,166 and the number of non-family households was 134,172. Non-family households include single persons and unrelated individuals living together.

In 1980, DC had 100,021 one-person households. By 2000, this figure increased 8 percent, to 108,569. Single person households represent 44 percent of all households in the District. This increase in the number of small households is reflected in the decrease in household size discussed above. Between 1980 and 2000, average household size declined from 2.4 persons to 2.16 persons. DC's average household size is one of the smallest among large US cities. Part of this was also the decline in the number of married couples with children. Married couples with children declined 25 percent between 1980 and 2000.

Finally, the last component of population is those residents not considered to be part of a household, but who instead live in group quarters. Between 1980 and 2000, the number of

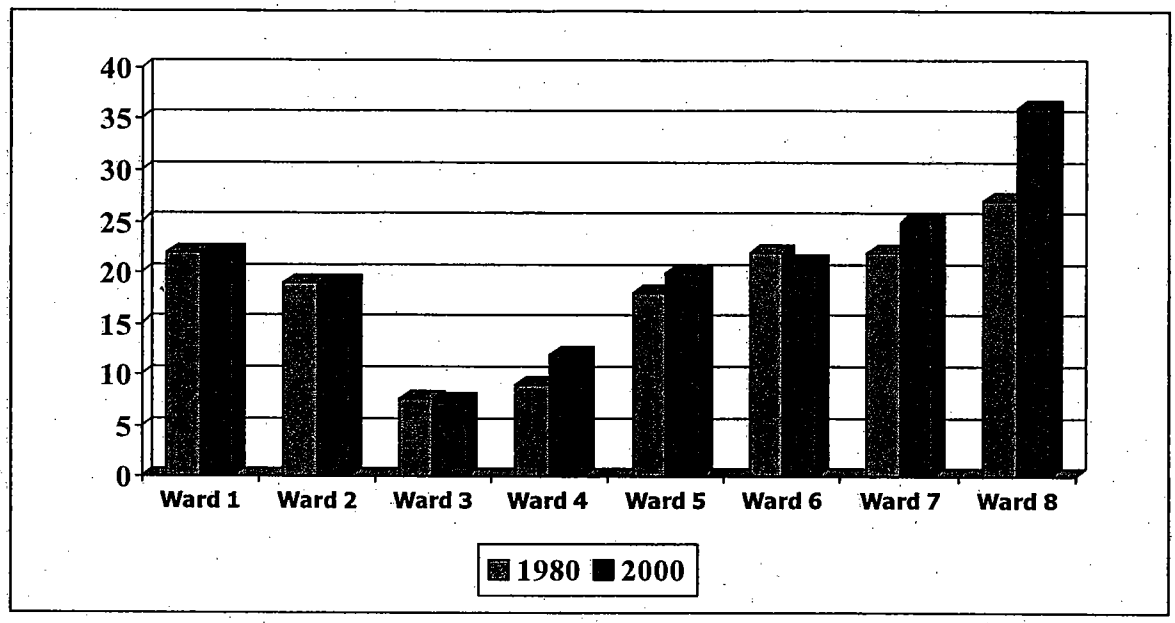
persons living in group quarters (dorms, nursing homes, military barracks, etc.) increased from 31,800 to 35,600.

Income

The decennial census provides valuable information on how the District has changed with regard to household income. For instance, adjusted to 1999 dollars, the average family income of DC residents was $59,070 in 1979 and $78,192 in 1999. This represented a 32% increase in inflation-adjusted income over those twenty years.

The Census also helps the District understand the different neighborhoods within the District. Despite the growing prosperity in the city and the region around it, poverty became more concentrated in DC during the 1980s and 1990s. Washington, D.C. has 13 percent of the region's households but 24 percent of its low-income households and 37 percent of the region's households with incomes below $10,000 a year. In 1998, about one in five District households earned less than a full-time wage income ($12,800) compared with 7 percent for the region.

Figure 6. Poverty Across the Wards of Washington D.C.



Source: US Census Bureau.

In 1980, the percentage of the city's residents below the poverty line was 18.6 percent. By 1990, it had declined to 16.9 percent. However, by 2000, it had increased to 20.2 percent. Between 1990 and 2000, the total population of "high poverty neighborhoods" in the city increased by 19 percent, from 106,000 to 126,000. These neighborhoods include much of Wards 7 and 8 (located east of the river), and to a lesser extent, parts of Wards 1, 5, and 6. Washington DC was one of just a handful of cities that saw an increase in concentrated poverty during the 1990s ***(see Figure 6).*** In most cities, including Boston, Detroit, Philadelphia, and Atlanta, poverty became less concentrated.

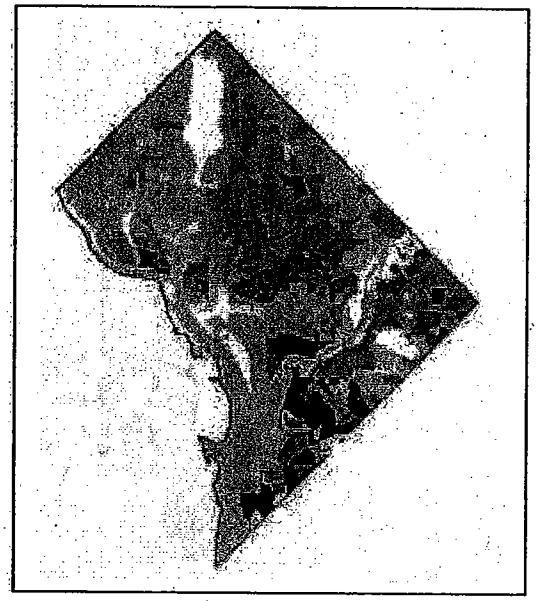
The District also experienced a dramatic decline in "middle income" households during the 1990s. The percentage of households earning $45,000-$60,000 (adjusted for inflation and using 1999 dollars) dropped from 18 percent of the city's total in 1990 to 11 percent in 2000. Income changes across the city have been (and continue to be) geographically imbalanced. Wards 2 and 3 witnessed increases of over 50 percent in average family income between 1980 and 2000[2]. By contrast, Wards 7 and 8 saw virtually no change in average family income during the same time period.

USING CENSUS DATA TO SHAPE URBAN POLICY: AN EXAMPLE

The District of Columbia is in the process of revising its Comprehensive Plan for the first time in 20 years. The first step in the process, completed last year, was to develop a long-range vision for the city. More than 3,000 DC residents participated in this process through neighborhood meetings and community forums. The tenets of the Vision are underpinned by Census data that illustrate stark—and widening—divides within the city. Despite the District's recent prosperity and improved development market, the city has become more divided by race, class, education, and income over the last 30 years. The fundamental premise of the city's Vision is that DC must grow more inclusively to thrive and succeed.

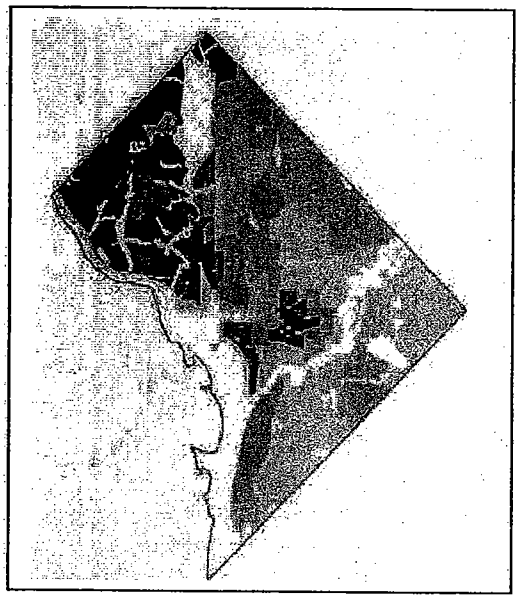
Figure 7A, 7B, and 7C illustrate the magnitude of these divides. The first map shows the concentration of poverty in the eastern half of the city, particularly east of the Anacostia River, and the relative affluence of areas west of Rock Creek Park. The second map shows similar

[2] Inflation adjusted numbers.

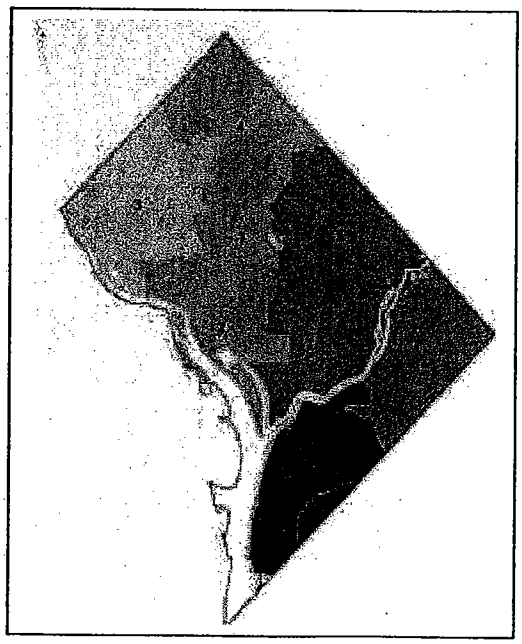


A. POVERTY RATE

Low High



B. EDUCATIONAL ATTAINMENT



C. UNEMPLOYMENT

Figure 7-A,B,C: A "City Divided"

Source: Vision for Growing An Inclusive City DC Office of Planning, 2004

divides with respect to education, with very high proportions of college-educated residents west of Rock Creek Park and high percentages of residents without a high-school degree east of the River. The correlation between education and employment is clearly evident in the third map, which is based on Department of Employment Services data on unemployment rates.

Figure 7D illustrates one example of how this goal might influence local housing policy. Neighborhoods that historically have historically have been overburdened with public and subsidized housing, with incomes well below the city median, are being targeted for more market rate housing in the future. Conversely, the city is launching new initiatives in those areas with very high cost housing to "level the playing field" and provide more affordable housing.

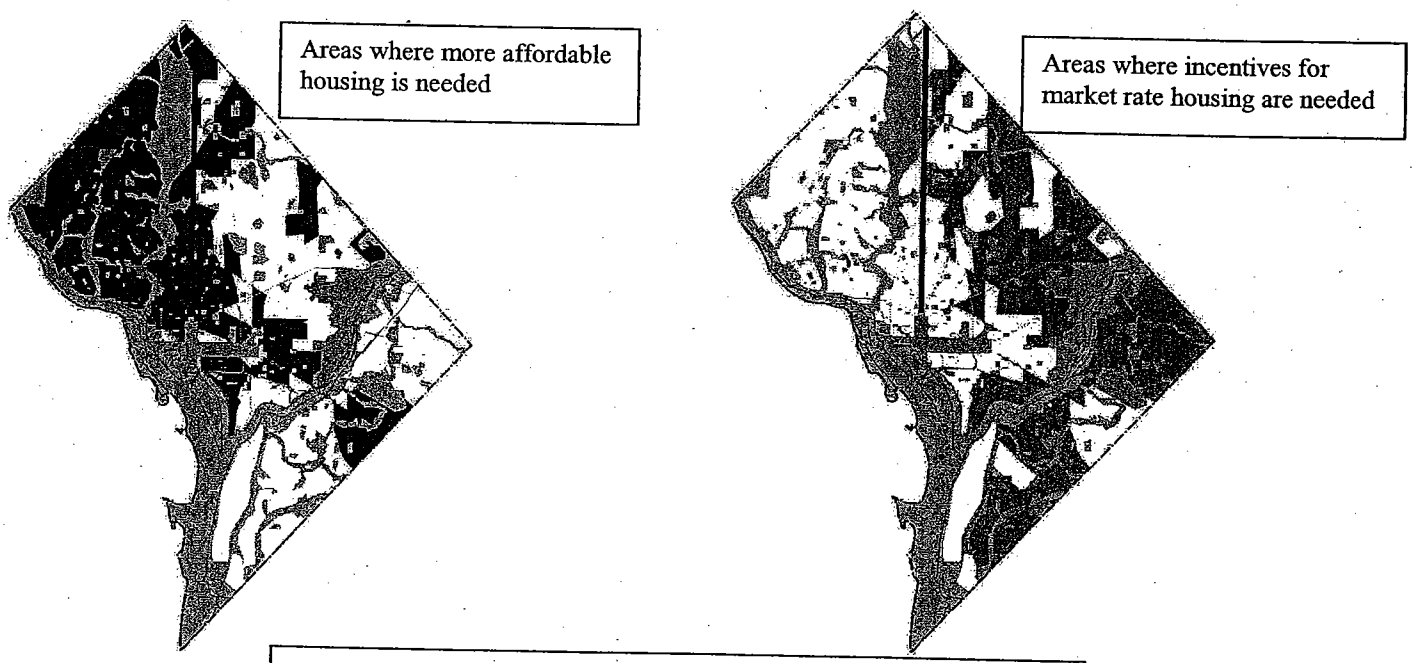


Figure 7D: Using Census Data to Shape Local Housing Policy

Source: A Vision for Growing an Inclusive City
DC Office of Planning, 2004

WASHINGTON, DC FUTURE TRENDS (2000-2030)

The District of Columbia uses Census data for determining past trends, but relies on its own State Data Center to forecast future trends. While the US Census Bureau uses a model for future population change based on assumptions about future births, deaths, and domestic and international migration, the District's State Data Center uses a fundamentally different approach to estimating its population, emphasizing the total change in population size since the last census rather than demographic components of change.

Figure 8 provides a summary of the major changes in population, households and employment projected for the next twenty-five years. These projections show the city's 2005 population at 577,000, which is approximately 25,000 persons higher than the official July1, 2004 estimate released by US Census Bureau (and an increase of 5,000 people from the 2000 Census). The projections show the city adding 31,000 residents by 2010, another 34,000 residents between 2010 and 2015, and another 30,000 residents between 2015 and 2020. The figures are based on demographic trends and planned and proposed development projects. Population forecasts were calculated by assuming an average household size of 2.15 for 2000-2005 and 2.16 persons for 2010-2030.

The District's recent growth appears consistent with national and regional trends indicating the increased desirability of city living. Over the past two decades the largest increases in the District have been for one and two person households, and recent residential development appears to support this trend.

The number of jobs in the city, currently around 742,000, is projected to grow to 860,000 by 2030.

Figure 8: District of Columbia Population, Households and Employment Preliminary Forecasts (2000-2030)

								2000 to 2030	
	2000	2005	2010	2015	2020	2025	2030	Number	% Change
Population	572,100	577,500	608.7	642,000	672,600	702,400	712,200	140.1	24.5%
Households	248,300	252,000	265.3	280,700	292,900	304,400	308,900	60.6	24.4%
Employment	713,400	742,900	783.6	816,700	830,000	845,000	860,000	146.6	20.5%

Source: District of Columbia, Office of Planning, State Data Center (April 2005).

THE DISTRICT'S CONCERNS WITH THE CENSUS BUREAU'S METHODOLOGY

Since 2000, the District of Columbia has gone on record disputing the US Census Bureau's Estimates in 2002, 2003 and 2004 as well as the 2005-2030 Projections released on April 21, 2005 (see Figure 9). Examples that support the discrepancy between the Census Bureau and the District future projections include: (1) the discrepancy between the US Census Bureau's 1999 population estimate and the number actually reported when the 2000 Census was taken, (2) the relative stability of school enrollment (public and charter) since 2000, (3) the relative stability in the number of DC tax filers, (4) the dramatic increase in housing production, (5) the dramatic decrease in the number of abandoned housing units and drop in the vacancy rate, and (6) the methodology the US Census Bureau uses for DC, which is better suited for large geographic areas such as a state.

Figure 9: Comparison of the US Census Bureau's 1996 and 2005 Projections to the 2005 COG Preliminary Forecast

Source	Date	1995	2000	2005	2010	2015	2020	2025	2030
Census	10/22/96	554,000	523,328	528,784	560,313	593,938	624,764	654,879	-
Census	4/21/05	-	572,059	551,136	529,785	506,323	480,540	455,108	433,414
COG	2/05	-	572,100	577,500	608,700	642,600	672,600	702,400	712,200

Source: US Census Bureau and Washington Metropolitan Council of Government

In 1996, the Census Bureau projected the District population would increase by 100,000 residents by 2025. In April 2005, the US Census Bureau projected the District population will decrease by 117,000 by 2030. In Contrast, the District forecasts the city's population will increase by 140,100 by 2030.

The discrepancy between these two forecasts is discussed below.

#1: The Census has historically underestimated DC's population. Their 2000 data underestimated the District's population by almost 50,000 people. Census data for DC have a history of underestimating. In 1999, the Census estimated that DC had a population of 519,000. The actual count in the 2000 Census was 572,059 people. In the 10-year period from 1990-2000, the Census population data underestimated by almost 50,000 people.

#2: Total school enrollment since 2000 has shown a very slight decline (after years of steep decline)—but not nearly at the level suggested by recent Census estimates. The total number of students enrolled in public schools (including charter schools) decreased by 1,700

between 2002 and 2005 (from 78,500 to 76,800). While this is a negative indicator (-2%), the decline is much more gradual than it was in the 1980s and 1990s. The US Census Bureau estimates by age cohort clearly do not align with this reality. Their recent estimate showing the city lost 27.4 percent of residents aged 15-19 between 2000-2004 contradict the more gradual decline suggested by District of Columbia Public Schools and charter school enrollment data.

The precipitous drop in 15-19 year olds reported by the US Census Bureau between 2000 and 2004 (from 36,000 to 26,000) is indicative of a problem with the estimating assumptions and/or methodology. Such a decline would be unprecedented in the city's 214-year history, and there are no events or indicators in the last four years that suggest a drop of this magnitude actually occurred.

#3: The number of tax filers in the City is relatively stable. The number of tax returns filed by District residents has remained relatively stable (at around 290,000) since 2000. Although there have been annual variations (up and down), the total has changed very little.

#4: The City has experienced an increase of 7,000 new housing units in the past 4 years (2000-2004). The number of units demolished during this time is approximately 2,000, for a net gain of 5,000 units. The US Census Bureau's Estimates and Projections are based on information that is out of date. The Census Bureau's projections were based upon 2 to 3 year old data and did not take into account the increase in housing units or building permits issued.

District agencies report that more housing has been built during the last four years than during the entire decade of the 1990s. Much of this housing came on line during 2004—and may not be reflected in the Census data. While most of the new housing built since 2000 consists of apartments and condos designed for smaller households, this housing is generally not displacing family housing.

#5: The number of abandoned housing units in the city has declined precipitously since 2000, and the vacancy rate is significantly lower today than it was in 2000. A 1999 District of Columbia Regulatory Affairs (DCRA) survey counted 3,200 vacant residential buildings in the city, with a total of about 6,700 units. By February 2005, property tax records indicated only 920 vacant residential properties in the city, with about 1,650 units. While some of the vacant buildings were demolished, the majority was restored to habitation. The District estimates that between 2,000 and 4,000 units that were vacant in 2000 are now inhabited again. The District's rental vacancy rate declined from 12.5 percent in 2001 to 10.7 percent in 2003.

#6: The U.S. Census Bureau's methodology is designed for large geographic areas, and is based on county-level data. Because DC has no counties, there is a high margin for error. The annual state population estimates are developed by the Census using county data. Information is taken from a variety of county records, including birth and death certificates, IRS tax records for persons under 65, Medicare enrollment for persons over 65, data for persons

living in barracks and dormitories, persons in the military stationed overseas, and estimates of international migration based on Census 2000.

This data is inserted into a mathematical model to estimate the population for each county. The model adds the natural increase in population (births minus deaths), net migration from foreign countries, and net migration from other states (as determined through tax records and other variables). County estimates are summed, with the total used as the population estimate for the state.

Because the District does not have counties, there is a high likelihood that annual population change is incorrectly estimated. Some of the data may be interpolated based on historic trends or other variables. Also, some of the data collected by the Census for the District may be incomplete, dated, or misleading due to the peculiarities of the District's governing structure.

The District uses a fundamentally different approach to estimating its population, emphasizing the total change in population size since the last census rather than demographic components of change. This is an accepted method of demographic estimation referred to as the Housing Unit Method. In this method, the housing stock from the last census is updated using data on construction, demolition, and conversion. The population at a given point in time is estimated by multiplying the estimated number of housing units at that time by an updated

estimate of the occupancy rate for that area at that time, along with an estimate of the number of persons per household. The District's estimate of 577,500 (provided to and accepted by the Metropolitan Washington Council Of Governments) presumed that household size has decreased from 2.16 to 2.15 between 2000 and 2005.

In closing, the District of Columbia's total population appears to be relatively stable, with no significant increase or decrease between 2000 and 2005. Using our own methodology, the Office of Planning believes that the District's population has increased by just about one percent since 2000. This is a smaller increment of growth than was forecast several years ago when the prospect of many new housing units suggested significant growth ahead (in the range of 5-6% between 2000 and 2005). It appears the increase in housing units and decrease in vacancies is, to some extent, being "cancelled out" by continued in-migration of smaller households and out-migration of families.

The Office of Planning continues to work with the U.S. Census Bureau to address the discrepancies in these figures, and to promote estimation methodologies that produce more precise results at the local level.